

Idaho Water Utilities

The Idaho Public Utilities Commission regulates 25 privately operated water companies varying from United Water Idaho with more than 56,000 customers to utilities serving a few homes in residential subdivisions or mobile home parks. Regulated companies comprise less than 1-percent of approximately 2,600 systems that supply drinking water to Idahoans. Most of the unregulated systems belong to and are run without profit by homeowners associations. Many others are municipal systems operated by local governments.

IPUC Regulates About 1% Of Idaho's Water Utilities

<u>Name of Utility</u>	<u>No. of Customers</u>	<u>Hook-up Fee</u>	<u>Mo. Residential Rates¹ (unless otherwise noted)</u>	<u>Date Rates Last Revised</u>
Bar Circle "S" Water Inc.	104	250	\$15/0-7,500 gals. \$0.95/1,000 gals. over 7,500 gals.	02/01/90
Bitterroot Water Co.	7	\$750	\$20/0-15,000 gals. \$0.75/1,000 gals. over 15,000 gals.	08/12/99
Brian Water Co.	47		\$10.50/0-4,000 gals. \$1.08/1,000 gals. over 4,000 gals.	05/01/99
Capitol Water Corp.	2,740		\$7.50/0-1,000 cf. \$1.06/100 cf. over 1,000 cf.	08/01/97
Country Club Hills Utilities	82	\$300	\$14.00/0-30,000 gals. \$0.35/1,000 gals. over 30,000 gals.	02/23/90
Eagle Water Co., Inc.	2,102	\$845	\$7.84/0-600 cf. \$0.451/100 cf. over 600 cf.	03/25/87
East Moreland Water Co	16	\$60	\$3.25/0-6,000 gals. \$0.10/1,000 gals. over 6,000 gals.	05/01/63
Evergreen Water Co.	33	\$600	\$15.00/0-7,500 gals. \$0.35/1,000 gals. over 7,500 gals.	11/10/87
Falls Water Co., Inc.	2,015	\$500	\$10.00/0-20,000 gals. \$0.30/1,000 gals. over 20,000 gals.	Date 09/01/97
Goldan, Inc.	50		\$17.59/mo.	09/01/96
Grouse Point Water Co.	21		\$25.00/mo.	09/01/99
Happy Valley Water System	25	\$500	\$27.00/0-20,000 gals. \$0.70/1,000 over 20,000 gals.	12/15/99

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Island Park Water Co.	259		\$125/yr.	07/01/92
McGuire Estates Water Co.	63	\$400	\$14.75/0-10,000 gals. \$0.56/1,000 gals. over 10,000 gals.	08/01/98
Morning View Water Co., Inc.	10		\$22.00/mo.	06/21/90
Murray Water Works	25	\$125 + labor	\$26.00/mo.	11/01/94
Packsaddle Estates Water Co.	28	\$430	\$34.24/mo.	06/03/96
Picabo Livestock Co.	25	\$500	Summer: \$26.00/mo. Winter: \$14.00/mo.	04/27/94
Rickel Water Co.	10	\$6,000	\$30.00/0-15,000 gals. \$1.10/1,000 gals. over 15,000 gals.	04/25/97
Sargent Water Co.			Purchased by Falls Water Co.	07/07/98
South County Water Co.			Purchased by UWI	11/19/98
Spirit Lake East Water Co.	186	\$193	\$12.00/0-9,000 gals. \$1.00/1,000 gals. over 9,000 gals.	12/01/83
Stoneridge Water Co.	40	\$925	\$0.30/1000 gals. For all consumption	12/01/99
Sunbeam Water Co.	22		\$12.00/0-12,000 gals. \$1.20/1,000 gals. over 12,000 gals.	05/31/83
Troy Hoffman Water Co.	144	\$458	\$5.50/0-3,000 gals. \$0.60/1,000 gals. over 3,000 gals.	08/01/96
United Water Idaho	66,121	Costs in excess of \$500	Summer: \$14.57/bimonthly \$1.6418/1,000 gals. Winter: \$14.57/bimonthly \$1.3134/1,000 gals.	09/05/98
Valley View Subdivision	49	\$500	\$20.00/mo. \$1.73/1,000 gals.	04/10/98

1 - The rates listed are strictly representative of residential customers and may not reflect actual rates paid by a specific customer. These rates also do not include DEQ fees which range from \$0.25 to \$0.50/month per customer.

Water Utility Cases

Bitterroot Water Company

August 12, 1999

Bitterroot Water Rate Increase Approved

Case No. BIT-W-99-1, Order No. 28121

The Idaho Public Utilities Commission authorized Bitterroot Water Co. to move from a flat monthly rate to a metered rate, and to increase its rates and charges for water service by 32% over current revenues. New rates for metered service were set at \$20 per month plus \$.75 per 1,000 gallons of water in excess of 15,000 gallons per month. In establishing the new rates, the Commission wished to send a conservation signal to those customers of the Company whose average water usage can only be characterized as unusually large.

Bitterroot is a regulated water utility providing water service to approximately 54 customers in Silver Meadows Subdivision, a development located about 15 miles north of Coeur d'Alene to the west of Old State Highway 95.

Grouse Point Water Company

August 5, 1999

Commission Established Rates, Issued Certificate

Case No. GNR-W-97-1, Order No. 28110

The Idaho Public Utilities Commission issued a Certificate of Public Convenience and Necessity, established rates and charges, and required adoption of general service provisions for the Grouse Point Water Company. Service territory of the company was limited to currently developed property and adjoining well sites.

Rates were established for unmetered service at \$25 per month for all potable water consumption. Given the dual water system in the Grouse Point Subdivision, the Commission pointed out that the approved rates are for potable domestic water consumption and not irrigation waters, and noted the concerns raised by the customer regarding the use of potable water for irrigation by their neighbors. The Commission apprised customers that unrestrained use of the water will cause the Company's expenses to increase and will cause the Commission to consider the appropriateness of metering.

The Grouse Point Subdivision consists of 24 lots located in Ada County on the east side of Cloverdale Road about one-quarter mile south of Hubbard Road and just north of the New York Canal.

Water Utility Cases

Happy Valley Water System

October 19, 1999

Sale Of Happy Valley Water System Approved

Case No. HVW-W-99-1, Order No. 28183

The Idaho Public Utilities Commission approved the sale of the Happy Valley Water System from the previous owners, Jon and Richard Dunnick, to the new owners, Joseph and Donna Brammer. Mr. and Mrs. Brammer are residents of the subdivision within which the Happy Valley Water System provides service.

The Happy Valley Water System is a public water utility providing water service to an approximate one-half square mile area located approximately three miles Northwest of Coeur d'Alene in Kootenai County, Idaho. The Happy Valley Water System serves 25 residential customers on lots ranging in size from five to ten acres each.

Hayden Pines Water Co.

January 20, 2000

Service Authority Of Hayden Pines Water Co. Terminated; System Now Operated By North Kootenai Water District

Case No. HPN-W-97-2, Order No. 28265

The Idaho Public Utilities Commission terminated the authority of Hayden Pines Water Co. to provide water service, following sale of the company and the transfer of service to the North Kootenai Water District.

The termination of the certificate of public convenience and necessity closed pending dockets in cases involving Hayden Pines Water Co.

Stoneridge Utilities Company

November 16, 1999

IPUC Issues Certificate; Establishes Rates For Stoneridge

Case Nos. GNR-W-98-1, SWS-W-00-01; Order Nos. 28206, 28376

The Idaho Public Utilities Commission issued a Certificate of Convenience and Necessity to Stoneridge Utilities Company, a combined water/sewer company, to provide water service to a golf resort community near the town of Blanchard in Bonner County, Idaho.

The Commission found that Stoneridge is operating as a public utility subject to Commission jurisdiction. The Commission's order required the Company to separate its water and sewer operations, established approved rates and charges, and required adoption of general service provisions.

Water Utility Cases

Troy Hoffman Water Corporation

January 20, 1999

Troy Hoffman Interim Rate Order Made Final

Case No. TRH-W-95-1, Order No. 28264

On August 31, 1995, Troy Hoffman Water Corporation, Inc. filed an Application with the Idaho Public Utilities Commission requesting authority to increase its rates. The Company serves approximately 144 residential customers in Coeur d'Alene. By Interim Order No. 26545 issued August 1, 1996, the Commission approved an average increase in rates of 23%, or approximately \$2.34/month. Calculation of the revenue requirement incorporated a return on the Company's rate base of 12%.

The reason for the interim nature of the rates was the Company's request to establish a reserve for unforeseeable expenses. Rather than the 23% increase recommended by Commission Staff, the Company requested a 30% increase to fund a reserve. In response to the Company's request, the Commission chose to further explore alternatives to traditional ratemaking (including reserve accounts) for small water companies.

Upon further investigation, the Commission noted that reserve accounts have been approved for several "non-profit" water companies in an amount equal to the return that the company would otherwise earn on rate base if it were a "for profit" company; however, the Commission had not approved such accounts for "for profit" companies such as Troy Hoffman. The Commission further noted that single item rate cases for small water companies wherein a surcharge has been authorized to provide a dedicated revenue stream for repayment of loans for capital expenditures have also been approved. For these reasons, the Commission decided not to approve an increase sufficient to build a reserve account, and decided to make the Company's interim rate order final.

United Water Idaho

November 16, 1999

Sale Of Barber Water To United Water Approved

Case No. UWI-W-99-4, Order No. 28205

The Idaho Public Utilities Commission approved the sale of Barber Water Corp. to United Water of Idaho and required a six-month rate-transition period for Barber Water's residential customers.

Barber Water provides service to approximately 240 residential customers in the Golden Dawn and Barberton mobile home subdivisions and the nearby Shakespeare Festival site in southeast Boise.

Water Utility Cases

March 23, 2000

Southeast Boise Water Supply Project Application OK'd

Case No. UWI-W-99-5, Order No. 28300

The Idaho Public Utilities Commission approved an amended Agreement request from United Water Idaho to reimburse Micron Technology, Inc., for construction costs associated with the Southeast Boise Water Supply Project.

In 1995, Micron financed the \$6.5 million cost of additional facilities for expansion of water supply service to meet growing demand in southeast Boise. Micron was to be reimbursed through customer hook-up charges.

But in 1996, the Idaho Supreme Court found that the hook-up charges unlawfully discriminated against new customers and the Commission was required to eliminate the connection fees. The amended Agreement presented an alternate method for reimbursing Micron. The Agreement also specified the terms of sale of certain United Water facilities, including the Gowan and Oregon Trail wells, to Micron and the use of United Water facilities by Micron, such as storage structures and transmission facilities.

As a result of the Agreement, service to its other United Water Idaho customers was not diminished and there was no immediate change in rates. However, the Commission noted that the reimbursement costs will ultimately become part of United Water's investment base upon which future customer rates can be determined.

The Commission Order noted the decision reflects the Supreme Court ruling, "which effectively determined that supply costs incurred by the company to serve new growth are to be paid for by all of the company's customers, not just the new growth."

May 16, 2000

Commission Approves Addition Of Danskin Ridge and Saddle Ridge Subdivisions To United Water Idaho

Case No. UWI-W-00-02, Order No. 28377

The Idaho Public Utilities Commission has given authorization to United Water Idaho to extend its certificate service area boundaries to include the Ada County residential subdivisions of Danskin Ridge (an area located southeast of Ten Mile and West Columbia Roads) and Saddle Ridge (an area located northeast of Black Cat and West Columbia Roads). Both areas are non-contiguous to the Company's present system and certificated territory.

The Commission's order required the developer of the subdivisions to pay for any additional well and related equipment required in the future to serve customers. In addition, the developer was required to pay for any water treatment or chlorination equipment required and necessary to serve customers in the subdivisions.

Water Utility Cases

July 3, 2000

United Water Granted Approval To Purchase Small Canyon County Water Company

Case No. UWI-W-00-3, Order No. 28418

United Water of Idaho was given permission by the Idaho Public Utilities Commission to purchase a small water-supply company that serves the Mountain View Acres subdivision in Canyon County.

The Boise-based United Water, which serves some 65,000 customers in Ada and Canyon County, agreed to pay \$20,650 plus \$2,500 in acquisition costs to purchase M&M Mountain View Acres Subdivision Water Co., which serves 24 residential customers in the subdivision. The utility application noted that cost of service to subdivision customers, now unmetered at a flat rate of \$28.50 per month, will decrease to \$50.36 bimonthly with the purchase.

Revenue collected from M&M's customers based on the approved rate will be such that United Water's current customers will not be burdened by the purchase of M&M's assets.

The previous owners of M&M desired to convey the domestic water system to United Water because increasingly complex regulatory requirements made it difficult or impossible for the M&M Homeowners Association to operate the system.

Valley View Water System

May 31, 2000

Certificate Of Convenience And Necessity Canceled

Case No. VVS-W-00-01, Order No. 28384

The Idaho Public Utilities Commission canceled the Certificate of Public Convenience and Necessity for the Valley View Water System because the system had been sold and is now part of the Valley View Water & Sewer District in Kamiah. The Commission does not have regulatory authority or jurisdiction over the new owner because it is a political subdivision of the state of Idaho. The original certificate was issued to Valley View on February 10, 1998.

Regulating Idaho's Railroads

More than 800 miles of railroad track in Idaho have been abandoned since 1976. Rail line abandonments are governed by federal law, with the federal Surface Transportation Board (STB, successor to the Interstate Commerce Commission) deciding the final outcome of abandonment applications. Under Idaho law, however, after a railroad files its federal notice of intent to abandon, the IPUC must determine whether the proposed abandonment would adversely affect the public interest. The Commission then reports its findings to the STB.

In reaching a conclusion, the Commission considers whether abandonment would adversely affect the service area, impair market access or access of Idaho communities to vital goods and services, and whether the line has a potential for profitability.

The Idaho Public Utilities Commission conducts inspections of Idaho's railroads to determine compliance with state and federal laws, rules and regulations concerning the transportation of hazardous materials, locomotive cab safety and sanitation rules, and railroad - highway grade crossings.

Hazardous material inspections are conducted in railyards and at shipping facilities. In 1994, Idaho was invited to participate in the Federal Railroad Administration's State Participation Program. The Commission has a State Program Manager and one FRA certified hazardous material inspector.

Since 1997, the IPUC has been working with Railroads, Labor Unions, and the FRA to improve locomotive cab working conditions. This includes random inspections to determine overall cab cleanliness, sanitation facilities, first aid requirements and the availability of fresh cold drinking water.

The IPUC inspects railroad-highway grade crossings where incidents occur, investigates citizen complaints of unsafe or rough crossings and conducts surveys of railroad crossings.

Operation Lifesaver

Idaho Operation Lifesaver is a non profit state organization that is dedicated to increasing public awareness of the potential dangers that exist at highway-rail grade crossings and around trains in general.

Volunteers from various sponsoring groups and other interested individuals staff the organization. Because of the IPUC's railroad safety oversight, it has taken a leading role in sponsoring and supporting Idaho Operation



Regulating Idaho's Railroads

Lifesaver. IPUC staff member Chris Maschmann is the area coordinator. Volunteer staff members talk to approximately 130,000 people each year at presentations and safety booths.

It is the intent of the program to achieve its goal by using:

- (1) Education – Educate the public about trains by providing safety presentations and by operating informational booths.
- (2) Engineering – Work with government entities, businesses and railroads to improve highway/rail intersections.
- (3) Enforcement – Work with law enforcement agencies and railroads to enforce traffic laws pertaining to highway/rail intersections.

August 9, 1999

IPUC Authorizes Closing Of “Old” Union Pacific Grade Crossing At City Of Ponderay; Cites Safety Factors For Decision To Close Crossing

Case No. UPR-R-99-1, Order No. 28016

The Idaho Public Utilities Commission authorized Union Pacific Railroad Company to close a railroad crossing at milepost 76.12 in Ponderay. The Commission order cited safety concerns over the increase in rail traffic on the line and in vehicles using the crossing to gain access to commercial facilities.

The Commission order delayed the actual closing until October 1, 2000, in order for local and state officials to plan alternate transportation access to mitigate the impact of the closure.

Union Pacific initially sought closure of the crossing in 1986. The crossing is located in a commercial area near the Bonner Mall, State Highway 200 and a new section of U.S. Highway 95. A new crossing located approximately one-third mile from the old crossing was built to provide access to the commercial area and allow for the closing of the old crossing. But appeals from the City of Ponderay and local businesses that the closure would adversely affect business and cause public inconveniences delayed final action on the closure request.

In the order, the Commission noted that vehicle traffic at the old crossing has more than tripled since 1986. At the same time train traffic on the rail line has increased due to mainline trains and yard operations at the crossing area. In addition, the order says parked rail cars on either side of the crossing impair the visibility of trains operating on the track, further affecting vehicle traffic safety.

Regulating Idaho's Railroads

June 16, 2000

Requests To Keep Ponderay Railroad Crossing Open Denied

Case No. UPR-R-99-1, Order No. 28415

Petitions by the City of Ponderay and two businesses to keep a Union Pacific Railroad crossing open have been turned down by the Idaho Public Utilities Commission.

The city had asked the PUC to stay its earlier ruling allowing the railroad to close the crossing, but the PUC denied the request. As a result, two businesses that were not a part of the original case, asked the PUC to reconsider its denial of the city's request for a stay.

The two businesses, in seeking the reconsideration, contended that the closure would result in the loss of jobs to the businesses and the community.

The Commission noted in its denial that studies are in progress to find alternative access points for the businesses so that the economic hardships will be mediated. In the meantime, the Commission noted that "public safety compels closure of this crossing."

June 28, 2000

PUC Wants Feds To Rethink Hearing Decision On Railroad Abandonment

Case No. CPR-R-00-1

The Idaho Public Utilities Commission appealed to the federal Surface Transportation Board to rethink its decision not to hold public hearings in Idaho on Camas Prairie RailNet's application to abandon the railroad line between Spalding and Grangeville.

Camas Prairie RailNet wants to abandon about 66 miles of railroad from Grangeville to near Lewiston, the only rail link between the Camas Prairie and the port of Lewiston.

The federal Surface Transportation Board ruled that it would receive written testimony on the abandonment request, rather than hold a public hearing in Idaho. The PUC noted that the federal agency's budget constraints have been cited as a possible reason for not holding Idaho hearings, and asked the board for clarification on that issue.

The PUC, in its request to the board, noted that the level of concern about the abandonment and the economic ramifications make it important that cross-examinations at public hearings be conducted.

Regulating Idaho's Railroads

Railroad Activity Summary

Fiscal Year 1999

Tank Cars Inspected	507
Freight Cars Inspected	285
Trains Inspected	28
Defects Disclosed	137
Violation Reports to FRA	5
Crossing Accidents Investigated	32
Crossing Complaints	46
Crossings Surveyed	112
Locomotives Inspected	129
Locomotives with Deficiencies	84

Railroads In Idaho

Palouse River Railroad
709 N. 10th Street
Walla Walla, Washington 99362
509/522-1464
Idaho Track Miles: 2

Idaho Northern & Pacific
P.O.Box 715
Emmett, Idaho 83617
208/365-6353
Idaho Track Miles: 102

Burlington Northern Santa Fe Railroad
176 East 5th Street
St. Paul, Minnesota 55101
208/263-2016
Idaho Track Miles: 194

Montana Rail Link
P.O.Box 8779
Missoula, Montana 59807
406/523-1500
Idaho Track Miles: 34

Camas Prairie Railnet
325 Mill Road
Lewiston, Idaho 83501
208/798-8393
Idaho Track Miles: 174

St. Maries River Railroad
318 North 10th Street
St. Maries, Idaho 83861
208/245-4531
Idaho Track Miles: 71

Eastern Idaho Railroad
618 Shoshone Street West
Twin Falls, Idaho 83301
208/733-4686
Idaho Track Miles: 267

Union Pacific Railroad
1416 Dodge Street
Omaha, Nebraska 68179
208/343-1771
Idaho Track Miles: 1,096